

**METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY**



April 10, 2019

Nancy Cornwell – Board Chair  
AGAPE  
Morning Star Sanctuary  
P.O. Box 568  
Nashville, TN 37116

Dear Ms. Cornwell:

Please find attached the monitoring report of the Morning Star Sanctuary relating to the contract it had with the Metropolitan Government of Nashville and Davidson County for the fiscal year ending June 30, 2018. This report is being presented to you because, according to the Secretary of State, Business Services Division, the Morning Star Sanctuary filed for dissolution on June 19, 2018 and as confirmed through discussions with AGAPE's management, AGAPE adopted the Morning Star Sanctuary Domestic Violence Shelter and Court Advocacy program on July 1, 2018. As part of the adoption, AGAPE added three Morning Star board members to their governing board.

The Office of Financial Accountability is charged with the responsibility of monitoring grant funds, including Community Partnership Funds, from Metropolitan Nashville Government to any nonprofit organization. Staff from the Office of Financial Accountability conducted the review on January 30, 2019.

We appreciate the assistance provided by your agency during the course of the review. If you have any questions, please call me at 615-862-6712.

Sincerely,

Kevin Brown, CMFO, CICA, CFE  
Finance Manager

cc: Chandler Means, Executive Director, AGAPE

OFFICE OF FINANCIAL ACCOUNTABILITY

Talia Lomax-O'dneal, Director of Finance, Department of Finance  
Brian Kelsey, Chief Strategy Officer, Office of the Mayor  
Kim McDoniel, Deputy Director of Finance, Department of Finance  
Gene Nolan, Deputy Director of Finance, Department of Finance  
Phil Carr, Chief of Accounts, Department of Finance  
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*Metropolitan Government of Nashville and Davidson County*

# **MORNING STAR SANCTUARY**

## **◆ Monitoring Report ◆**

Conducted by



**Office of Financial Accountability**

April 10, 2019

# MONITORING REPORT

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## TABLE OF CONTENTS

INTRODUCTION .....	5
OBJECTIVES, SCOPE AND METHODOLOGY .....	6
RESULTS OF REVIEW .....	7
FINDINGS AND RECOMMENDATIONS .....	10

## INTRODUCTION

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The Office of Financial Accountability (hereinafter referred to as “OFA”) has completed a monitoring review of Morning Star Sanctuary. A monitoring review is substantially less in scope than an audit. The OFA did not audit the financial statements and, accordingly, does not express an opinion or any assurances regarding the financial statements of the Morning Star Sanctuary or any of its component units. The OFA is responsible for the internal monitoring of Metropolitan Government of Nashville and Davidson County (hereinafter referred to as “Metro”) agencies that receive federal and state financial assistance, including cooperative agreements and non-profit organizations that receive appropriations and Community Partnership Funds from Metro government. In summary, any agreement(s) that imposes performance and/or financial requirements on Metro government is subject to review by the OFA.

The purpose of this review was to assess the agency’s compliance with contractual requirements set forth in the following contract with Metro Government:

<b>Contract</b>	<b>Type</b>	<b>Amount</b>	<b>Contact Term</b>	
L-3901	Community Partnership Funds	\$64,200	July 1, 2017	June 30, 2018

### **Agency Background**

The Morning Star Sanctuary was a private, non-profit entity offering services to victims of domestic violence. The agency maintained an emergency 16-bed shelter that provided safety, support, and refuge for victims and their children, who could remain in the shelter for up to 90 days. In addition to the confidential shelter services for victims needing immediate protection, the agency maintained a 24-hour crisis hotline to assist domestic violence victims seeking information, safety planning or housing. The Metro grant program was effective through June 30, 2018. Per the Secretary of State Business Services, the Morning Star Sanctuary filed for dissolution on June 19, 2018.

According to AGAPE’s website, on July 1, 2018, AGAPE adopted the Morning Star Sanctuary Domestic Violence Shelter and Court Advocacy program. As part of the adoption, AGAPE added three Morning Star board members to their governing board. In addition, the agency doubled the shelter capacity from 16 beds to 32.

## OBJECTIVES, SCOPE AND METHODOLOGY

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The objectives of our review were:

- 1) To determine whether the agency had the resources and capacity to administer the grant funds.
- 2) To determine if costs and services were allowable and eligible.
- 3) To verify that program objectives were met.
- 4) To test the reliability of the financial and programmatic reporting.
- 5) To verify contractual compliance.

The scope of our review was limited to the contract term July 1, 2017 through June 30, 2018.

The monitoring review procedures included meeting with agency management and staff, reviewing board minutes and obtaining written representations from management. In addition, we examined certain financial records and supporting documentation necessary to ensure compliance with contractual requirements set forth in contract L-3901. Specific procedures included:

- Interviewing the employees responsible for grant management, financial reporting and accountability.
- Reviewing supporting documentation of expenditures for allowability, necessity and reasonableness.
- Reviewing the agency's general ledger and verifying the accuracy of all invoices submitted to Metro.
- Reviewing documentation to determine that funds were used for intended beneficiaries and expended in accordance with the spending plan of the contract.
- Reviewing documentation to support program activities for consistency with grant requirements.
- Assessing the financial stability of the agency and its ability to continue to administer the grant program funded by Metro.

## RESULTS OF REVIEW

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### SUMMARY OF RESULTS

Criteria	Yes	No
Sufficient Resources and Capacity to Administer Funds?	✓	
Costs and Services Allowable and Eligible?	✓	
Program Objectives Met?		✓
Reporting Requirements Met?	✓	
Compliance with Civil Rights Requirements?	✓	

## RESULTS OF REVIEW

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The overall results of the monitoring review are provided in this section. Results are based on testwork performed and include conclusions regarding specific review objectives and, if applicable, recommendations for improvement and an action plan for implementation. Where applicable, the Findings and Recommendations section of this report provides more insight into any issues identified below.

### **1. Sufficient Resources and Capacity to Administer Grant Funds**

Our review of the agency's accounting system and the qualifications of the individuals assigned to manage the accounting records indicate that the agency possesses the necessary resources and professional expertise to effectively administer the grant funds.

### **2. Allowable and Eligible Costs and Services**

Our review covered all of the core compliance areas identified by 2 CFR Part 200: *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*.

Additionally, the Metro Grants Manual requires separate accounting of the Metropolitan Nashville Government grant funds to prevent co-mingling of Metro Funds with other sources of funding. The agency was in compliance with this requirement. Different revenue classes as well as expenditure classes have been established to separately track the sources and amounts of funding. Also, the agency can easily and accurately report their expenses supported by the Metro grant.

Based on our test work, costs and services during the period were allowable and eligible.

### **3. Program and Performance Objectives**

The contract stipulates that the agency shall use the funds to provide shelter and supportive services with the following outcomes:

- Provide shelter and supportive services to at least 114 unduplicated victims (66 adult females and 48 children).
- At least 70% (46) adult Davidson County residents will obtain suitable housing by the end of their 90 stay in shelter.
- At least 2000 victims of domestic violence will be assisted with petitions for Order of Protection.

## RESULTS OF REVIEW

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- At least 1,800 (90% of 2,000) victims assisted will have Ex-Partes approved by Night Court Magistrates, allowing them the opportunity to go before General Sessions and Circuit Judges to obtain a permanent Order of Protection.

Based on our review of program documentation and discussions with staff, three of the four program performance objectives were not met and the agency was not in compliance with contractual program objectives. See finding #1 in the Findings and Recommendations section for additional details.

### **4. Reliability of Financial and Programmatic Reporting**

The contract requires submission of an annual audit report performed by a Certified Public Accountant. The contract also requires the agency to submit to Metro year end reports of the program outcome and a final expenditures report, no more than 45 days after the close of the contract.

We reviewed all applicable financial and programmatic reports required by the contract, including audited financial statements. Based on our review, the agency complied with all financial and programmatic reporting requirements.

### **5. Civil Rights Requirements**

Our review did not reveal anything to indicate that the agency was noncompliant with civil rights requirements. The agency also has necessary written policies and procedures relating to civil rights. The agency has not received any complaints regarding any form of discrimination. Further, civil rights and ADA postings are publicly displayed.

## FINDINGS AND RECOMMENDATIONS

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### **1. Program Performance Goals Not Met**

#### **Finding**

The Morning Star Sanctuary failed to meet three of the four agency's contractual program objectives. Per the scope of services:

1. "At least 70% (46) adult Davidson County residents will obtain suitable housing by the end of their 90 stay in shelter". Based upon the provided program documentation, only 63% of the adult residents obtained suitable housing by the end of their 90 day stay.
2. "At least 2000 victims of domestic violence will be assisted with petitions for order of protection"; however, the OFA could only verify 1,910 clients for which the agency provided assistance with petitions for Order of Protections.
3. "At least 1800 (90%) of 2000) victims assisted will have Ex-Partes approved by Night Court Magistrates, allowing them the opportunity to go before General Sessions and Circuit Judges to obtain a permanent Order of Protection." Based upon program documentation provided, the OFA noted only 1,534 clients had Ex-Partes approved by the Nigh Court Magistrate.

According to the current program administrators, the Morning Star Sanctuary provided the required program objectives; however, they were unable to locate all of the supporting documentation during the transition.

#### **Recommendation**

Management should take the necessary steps to ensure that program objectives are met and documentation to support program outcomes are maintained for review. Management should further review their objectives to make sure they are reasonable and obtainable.

#### **Corrective Action Plan Required**

Please submit a corrective action plan indicating the actions the agency intends to take to correct the findings identified in this report. The corrective action plan should be submitted within 14 days from the report date to the address below:

Office of the Mayor  
1 Public Square, Suite 100  
Nashville, TN 37201  
Attn: Brian Kelsey